



May 31, 2011

Mrs. Jocelyn Boyd  
Chief Clerk/Administrator  
South Carolina Public Service Commission  
101 Executive Center Dr., Suite 100  
Columbia, South Carolina 29210

Dear Mrs. Boyd:

In compliance with the Public Service Commission's Order No. 18,100 in Docket No. 17,134 dated January 15, 1975; a request from the Executive Director dated September 30, 1987; Order Nos. 88-864 and 88-971 in Docket No. 88-11-E; and the officer verification certification enacted by the Commission on December 17, 2002, Carolina Power & Light Company d/b/a Progress Energy Carolinas, Inc. submits the following information per its books and as adjusted for the 12-month period ending March 31, 2011:

1. Officer verification certificate
2. System Rate of Return on Rate Base - Exhibit A1
3. South Carolina Rate of Return on Rate Base - Exhibit A2
4. Return on Common Equity (Allocated to South Carolina Retail) - Exhibit B
5. Earnings Per Share on Progress Energy's Common Stock - \$2.90
6. Debt Coverage Ratio or Earnings to Fixed Charges – 5.07 times

The allocations and adjustments required to determine the information requested in the Commission's orders and request are in general accordance with the allocation methodology described by the Commission in our most recent general rate case (Docket No. 88-11-E, Order No. 88-864). The level of detail encompassed in this report is not sufficient for ratemaking purposes.

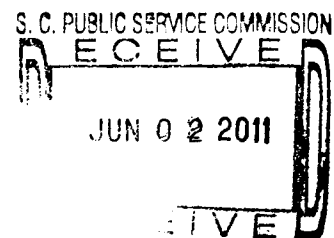
Attached is a copy of this report, which I request that you stamp and return to me. If you have any questions or concerns, please call me at 919-546-2559.

Sincerely,

M. Scott Foster  
Manager – PEC Regulatory & Property Accounting  
Progress Energy Service Company

c: John Flitter

Enclosure

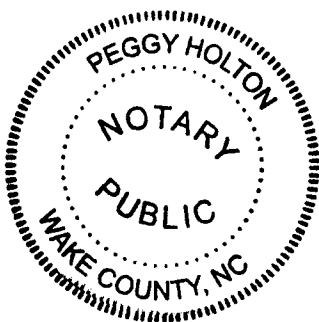


# CERTIFICATION

(Certification must be signed by the Chief Financial Officer)

I, Mark F. Mulhern, state and attest, under penalty of perjury, that the attached quarterly financial report is filed on behalf of Progress Energy Carolinas, Inc. as required by the Public Service Commission of South Carolina; That I have reviewed said report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information, and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.

The information in this filing is subject to and should be read in conjunction with all filings made by Progress Energy, Inc. with the SEC that contain information related to Progress Energy, Inc.'s and/or Progress Energy Carolinas, Inc.'s 2011 financial results, copies of which can be obtained at <http://www.sec.gov/edgar>.



Mark F. Mulhern

Mark F. Mulhern  
Executive Vice President and Chief Financial Officer  
Progress Energy, Inc.

May 25, 2011  
Date Signed

Subscribed and Sworn to before me this 25<sup>th</sup> day of May, 2011.

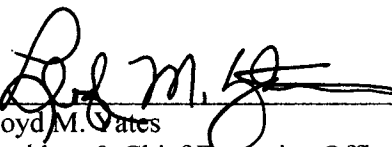
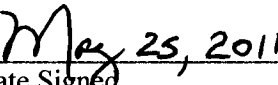
Peggy Holton  
Notary Public  
My Commission Expires: June 25, 2016

# CERTIFICATION

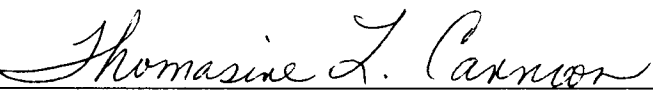
(Certification must be signed by the Chief Executive Officer)

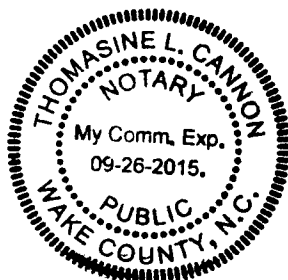
I, Lloyd M. Yates, state and attest, under penalty of perjury, that the attached quarterly financial report is filed on behalf of Progress Energy Carolinas, Inc. as required by the Public Service Commission of South Carolina; That I have reviewed said report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information, and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.

The information in this filing is subject to and should be read in conjunction with all filings made by Progress Energy, Inc. with the SEC that contain information related to Progress Energy, Inc.'s and/or Progress Energy Carolinas, Inc.'s 2011 financial results, copies of which can be obtained at <http://www.sec.gov/edgar>.

  
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Lloyd M. Yates  
President & Chief Executive Officer  
Progress Energy Carolinas, Inc.  
  
  
\_\_\_\_\_  
Date Signed

Subscribed and Sworn to before me this 25<sup>th</sup> day of May, 2011.

  
\_\_\_\_\_  
Notary Public  
My Commission Expires: 9-26-2015



PROGRESS ENERGY CAROLINAS  
SC QUARTERLY REPORT  
PER BOOKS AND ADJUSTED COS STUDY  
FOR THE TEST YEAR ENDED MARCH 31, 2011

SYSTEM TOTAL - ELECTRIC OPERATIONS			
DESCRIPTION	TOTAL PER BOOKS	ADJUSTMENTS	TOTAL WITH ADJUSTMENTS
(1)	(2)	(3)	(4)
	\$	\$	\$
NET OPERATING REVENUE	4,790,682,436	-	4,790,682,436
OPERATING EXPENSE:			
NET O&M EXPENSES	3,053,960,995	15,107,735	3,069,068,730
DEPRECIATION	483,950,510	45,911,413	529,861,923
TAXES (OTHER THAN INCOME)	213,528,131	3,661,896	217,190,027
INCOME TAX - STATE	8,486,964	(4,153,341)	4,333,623
INCOME TAX - FEDERAL	22,734,095	(36,780,484)	(14,046,389)
PROV. FOR DEFERRED TAXES	316,614,390	17,619,233	334,233,623
INVESTMENT TAX CREDIT	(5,731,824)	-	(5,731,824)
TOTAL OPERATING EXPENSE	4,093,543,261	41,366,452	4,134,909,713
INCOME FOR RETURN:			
OPERATING INCOME	697,139,175	(41,366,452)	655,772,723
CUSTOMER GROWTH	1,721,140	(102,128)	1,619,012
INTEREST ON CUST. DEPOSITS	(6,703,597)	-	(6,703,597)
HARRIS DEFERRAL AMORT.	-	-	-
TOTAL INCOME FOR RETURN	692,156,718	(41,468,580)	650,688,138
RATE BASE:			
PLANT IN SERVICE:			
ELECTRIC PLANT IN SERVICE	16,997,971,616	690,923,743	17,688,895,359
PLANT HELD FOR FUTURE USE	12,385,311	-	12,385,311
RESERVE FOR DEPRECIATION	(8,956,401,674)	(45,911,413)	(9,002,313,087)
NET PLANT IN SERVICE	8,053,955,253	645,012,330	8,698,967,583
NUCLEAR FUEL INVENTORY	457,998,504	-	457,998,504
DEFERRED TAXES - LIB. DEPR.	(1,685,532,982)	124,773,125	(1,560,759,857)
REGULATORY ASSETS	765,190,720	(126,034,609)	639,156,111
WORKING CAPITAL:			
MATERIALS & SUPPLIES	668,346,957	(1,112,834)	667,234,123
CASH WORKING CAPITAL	432,450,383	-	432,450,383
UNCLAIMED REFUNDS	-	-	-
PREPAYMENTS	7,465,603	-	7,465,603
TAX ACCRUALS	(19,000,084)	-	(19,000,084)
CUSTOMER DEPOSITS	(112,415,108)	-	(112,415,108)
OPERATING RESERVES	(588,514,121)	-	(588,514,121)
CUSTOMER ADVANCES FOR CONSTR.	(18,231,430)	-	(18,231,430)
UNAMORTIZED PROJECTS	-	-	-
TOTAL WORKING CAPITAL	370,102,200	(1,112,834)	368,989,366
TOTAL RATE BASE	7,961,713,695	642,638,012	8,604,351,707
RATE OF RETURN (%)	8.69		7.56

PROGRESS ENERGY CAROLINAS  
SC QUARTERLY REPORT  
PER BOOKS AND ADJUSTED COS STUDY  
FOR THE TEST YEAR ENDED MARCH 31, 2011

S.C. RETAIL TOTAL - ELECTRIC OPERATIONS			
DESCRIPTION	TOTAL PER BOOKS	ADJUSTMENTS	TOTAL WITH ADJUSTMENTS
(1)	(2)	(3)	(4)
	\$	\$	\$
NET OPERATING REVENUE	554,168,566	-	554,168,566
OPERATING EXPENSE:			
NET O&M EXPENSES	418,929,189	2,161,822	421,091,011
DEPRECIATION	70,099,254	6,609,702	76,708,956
TAXES (OTHER THAN INCOME)	14,459,484	527,427	14,986,911
INCOME TAX - STATE	3,187,813	(833,906)	2,353,907
INCOME TAX - FEDERAL	(39,491,035)	(5,446,931)	(44,937,966)
PROV. FOR DEFERRED TAXES	54,490,906	2,501,265	56,992,171
INVESTMENT TAX CREDIT	(818,351)	-	(818,351)
TOTAL OPERATING EXPENSE	520,857,260	5,519,379	526,376,638
INCOME FOR RETURN:			
OPERATING INCOME	33,311,306	(5,519,379)	27,791,928
CUSTOMER GROWTH	(11,755)	1,948	(9,807)
INTEREST ON CUST. DEPOSITS	(537,005)	-	(537,005)
HARRIS DEFERRAL AMORT.	-	-	-
TOTAL INCOME FOR RETURN	32,762,546	(5,517,431)	27,245,116
RATE BASE:			
PLANT IN SERVICE:			
ELECTRIC PLANT IN SERVICE	2,445,606,248	99,514,341	2,545,120,589
PLANT HELD FOR FUTURE USE	1,783,867	-	1,783,867
RESERVE FOR DEPRECIATION	(1,277,840,582)	(6,547,601)	(1,284,388,183)
NET PLANT IN SERVICE	1,169,549,533	92,966,740	1,262,516,273
NUCLEAR FUEL INVENTORY	66,066,031	-	66,066,031
DEFERRED TAXES - LIB. DEPR.	(260,085,830)	17,614,703	(242,471,127)
REGULATORY ASSETS	122,020,013	(18,152,873)	103,867,140
WORKING CAPITAL:			
MATERIALS & SUPPLIES	104,170,138	5,897,200	110,067,338
CASH WORKING CAPITAL	60,433,930	-	60,433,930
UNCLAIMED REFUNDS	-	-	-
PREPAYMENTS	1,221,739	-	1,221,739
TAX ACCRUALS	(2,309,676)	-	(2,309,676)
CUSTOMER DEPOSITS	(17,111,782)	-	(17,111,782)
OPERATING RESERVES	(83,880,650)	-	(83,880,650)
CUSTOMER ADVANCES FOR CONSTR.	(2,427,489)	-	(2,427,489)
UNAMORTIZED PROJECTS	-	-	-
TOTAL WORKING CAPITAL	60,096,210	5,897,200	65,993,410
TOTAL RATE BASE	1,157,645,957	98,325,769	1,255,971,726
RATE OF RETURN (%)	2.83		2.17

PROGRESS ENERGY CAROLINAS  
S.C. QUARTERLY REPORT  
S.C. RETAIL - RETURN ON COMMON EQUITY  
FOR THE TEST YEAR ENDED MARCH 31, 2011

**"AT BOOKS"**

DESCRIPTION	TOTAL COMPANY CAPITALIZATION		S.C. RETAIL RATE BASE	RATE EARNED	NET OPERATING INCOME
	AMOUNT	RATIO			
	\$	%	\$	%	\$
(1)	(2)	(3)	(4)	(5)	(6)
LONG-TERM DEBT	3,688,252,382	39.86%	461,437,679	5.02%	23,164,171
PREFERRED STOCK	59,333,982	0.64%	7,408,934	5.54%	410,455
COMMON EQUITY	5,506,652,672	59.50%	688,799,345	1.33%	9,187,920
TOTAL CAPITALIZATION	9,254,239,036	100.00%	1,157,645,957		32,762,546

**"ADJUSTED"**

DESCRIPTION	TOTAL COMPANY CAPITALIZATION		S.C. RETAIL RATE BASE	RATE EARNED	NET OPERATING INCOME
	AMOUNT	RATIO			
	\$	%	\$	%	\$
(1)	(2)	(3)	(4)	(5)	(6)
LONG-TERM DEBT	3,688,252,382	40.36%	506,910,189	5.02%	25,446,891
PREFERRED STOCK	59,333,982	0.65%	8,163,816	5.54%	452,275
COMMON EQUITY	5,390,330,565	58.99%	740,897,721	0.18%	1,345,950
TOTAL CAPITALIZATION	9,137,916,929	100.00%	1,255,971,726		27,245,116